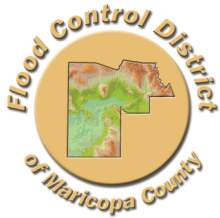




Agenda

CIP Prioritization Procedure Workshop
May 22, 2001 (9:00 a.m. - 11:30 a.m.)
Flood Control District Adobe Room

1. Introductions and Purpose of the Workshop
2. CIP Prioritization Procedure Timelines
3. Proposed FCD Five-Year CIP
4. CIP Project Cost-Sharing Discussion
5. Other Subjects Submitted by Municipalities/Agencies
6. Closing Comments



Notes from the May 22, 2001 CIP Prioritization Workshop:

Present:

Arizona State Land Dept.	Alex Kuchansky
Bureau of Reclamation	Mary Reece
City of Avondale	Dave Fitzhugh (City Engineer)
City of Chandler	Sandy Story
City of Mesa	Anna Leyva
City of Peoria	Burton Charron
City of Phoenix Floodplains	Ray Dovalina
City of Scottsdale	Bill Erickson
City of Scottsdale	Dave Meinhart (CIP Planning Manager)
City of Tolleson	Manuel Dominguez (Public Works Director)
Flood Control District	Dick Perreault (CIP/Policy Branch Manager)
Flood Control District	Kelly Presson (CIP Decision Support Analyst)
Flood Control District	Don Rerick (Project Management Branch Manager)
Flood Control District	Felicia Terry (Project Manager)
Flood Control District	Greg Jones (Project Manager)
Flood Control District	Joe Young (Chief Financial Officer)
Flood Control District	Russ Miracle (Planning Branch Manager)
Flood Control District	Tim Phillips (Project Manager)
Flood Control District	Tom Johnson (PPM Division Manager)
Flood Control District	Valerie Swick (Project Manager)
MCDOT	Chuck Williams (CIP Manager)
SRP	Paul Cherrington (Mgr., Water Engineering & Trans.)
Town of Cave Creek	Ian Cordwell (Planning Director)
Town of Gilbert	Lonnie Frost (Public Works Director)
Town of Queen Creek	Dick Shaner, Town Engineer
Town of Wickenburg	Skip Blunt
Woolsey Flood Protection District	Doug Nelson P.C. (Representative)

Questions and Answers:

Skip Blunt (Q): [The level of protection](#), is it safe to say that something lower than a 10-year flood would not get a good funding by the District?

Dick Perreault (A): It's a yes and no decision right up front. It might be that we go through an analysis and we find out that we just can't fit a project that provides a higher level of protection. At that point we would recommend that we proceed with it, but at a lower level of protection. A lot of the regional storm drains that we have constructed in the west valley are 10-year protection. We've done things that are less than 10-year protection. But it is more and more

difficult if the level of protection goes down to get the justification and project approval.

Ray Dovalina (Q): On the LOI, will there be further discussions on [how a master plan would be adopted by the cities](#)? Right now there are a lot of these planning studies going on and we actually don't have a process to adopt these and it is somewhat difficult at different stages of the process to make a commitment to the whole study or components of the study.

Dick Perreault (A): If you've already done it, that means we've gone through the whole planning process and we really should know what it is that we want to do. If the planning study is not yet completed, you can indicate that you'd be willing to adopt the parts of the plan that include the requested project. If you're willing to do it with some reservations, let us know.

Ray Dovalina (Q2): Some of these ADMP's have multiple jurisdictional areas. We can say "yes" we'll adopt it but [another city or town might not adopt it](#), so in essence does it fall in that category?

Dick Perreault (A): You don't get specific points for filling out this form. This is just supplemental information that we're trying to get to address the evaluation criteria. If you say it's not associated with the study, then that lets us know it's a stand-alone project. Obviously one municipality cannot commit another municipality to adopt a plan. We need to work collectively and say what is it that we can do to be able to make the plan acceptable to all communities. A lot of time these projects are multi-faceted so they have to be phased. You may accept something but really it's not going to work until another piece is adopted or put in place somewhere else.

Bill Erickson (Q): Back to the [level of protection](#), the elements being protected such as the difference between a roadway and a house, would that play into the equation?

Dick Perreault (A): I think it does. That's where we can talk about area protected and areas benefited. Let us know if we are protecting a farm field or a sub-division, or a school, etc. Obviously if it is protecting something that's not a key element for our public safety maybe the level of protection is not important. If it's a school or a wastewater treatment plant where there's millions of dollars invested in it, you'd want to get as much protection as you could.

Dave Meinhart (Q): What's your [annual funding capabilities](#)?

Dick Perreault (A): We are capped right now at 45 million dollars per year in tax revenue. Cost-sharing and participation from our partners has become a very important component of our overall budget. The goal that we have been given and have set for ourselves is that cost-sharing will amount to 35% of our annual

expenditures. This year we'll be around the 25-30% range. We are projecting next year we'll be close to 35%. This is where getting the MOU's and the IGA's in place and getting those commitments is very important. With our ability to fund the projects being somewhat capped at what our tax revenues are coming in, we're not able to proceed with the projects in many cases if we don't have partners. Four years ago our carry-over was 36 million dollars. Last year it was about 25 million dollars. This year our carry-over will be down in the range where it's sufficient for us to operate for the first quarter of the year but we don't have that unreserved carry-over that we've had in the past. Because of the tax structure that we have, we get our money from secondary tax revenues which comes in October and November and again in April and May. So when the fiscal year starts in July we basically have to rely on what we have reserved until the new tax revenues start to come in. We have chosen not to borrow money. We're a pay-as-you-go organization so we don't incur interest charges, etc. Therefore, we have to carry-over around 11 million dollars each year to be able to work the first 4 months of the new fiscal year.

Unknown (Q): In the unlikely event that the cities were to have its' cash available before the District, would the District be willing to pay [10% interest](#)?

Dick Perreault (A): If we agreed to it in an IGA, we would. However, I wouldn't guarantee that. We would try to get our funding as close as possible to the timing of the actual project expenditures. That would be a situation I would like to see us have to face. My experience is that usually our partners have problems getting their monies available for the projects at the time we want to go to construction.

Unknown(Q): What level does the [planning cost](#) have to get to before you expect that to be a part of the cost share package?

Russ Miracle (A): The ADMP provides detailed feasibility level of information; not pre-design level . We initiate pre-design after the projects have been prioritized and implemented into the CIP.

Dick Perreault (Q): Does the [ADMP](#) provide a 10% [level of design](#)?

Russ Miracle (A): It depends on who you're talking to. We get to about 15 – 20% level of design. We don't do grade, elevation, and area impacted by construction. We don't have a lot of the details until the construction design phase.

Unknown (Q): Are the [Candidate Assessment Reports](#) considered part of the [District's cost share](#) or is it once you get past that level?

Dick Perreault (A): I look at a Candidate Assessment Report as filling in some of the missing information that comes out of a project request . However, we've

had some assessment reports where we've had a good idea of what the project entails. We may actually do a pre-design assessment report but take it to the 30% design level. In that case we would ask "Should the candidate assessment report cost included in the reimbursement part of the project or is that totally at the District's cost." That is a real fine gray area that we handle on a case-by-case basis.

Dick Shaner (Q): There's an ADMP that identifies some retention basins and it would be more economical to buy them before houses get built on them. Can the [acquisition of the right-of-way](#) for those basins be proposed as a [separate cost-share project](#) and if so, can the ROW acquisition be something the District can handle?

Dick Perreault (A): We would like to see the total project be proposed, and then be phased with the acquisition of the ROW to take place in some time frame and the construction would follow along so that the total project is not just buying the ROW. You can buy ROW, but 2 or 3 years from now if the project is not yet planned, the piece of land could be worth so much more that there might be pressure to sell it at a profit. We'd rather not be in the position to have to recommend that acquiring the ROW is the total project.

Dick Shaner (Q2): The urgency is to purchase it before the houses come in. Once the guy comes in with the development plan we're in a position where they say, "That's [forced condemnation](#)."

Dick Perreault (A2): We're constantly facing that in the developing areas. The key for the District is we have to be able to justify that this is a good project that we should be working on together. Secondly, what is the urgency? If we don't buy it now the land may be available next year but it's going to be twice expensive or it may not be available. That's where the commitments come in. A hand shake and words are great, but we really need the signed document and know we have ourselves a deal. The prioritization procedure is how we want to conduct business, but there can be exceptions. If there is an exception, we'll have to take it to our Advisory Board and then to the Board of Directors for authorization. We have not had problems with getting projects approved by the Board of Directors so as long as we've gone through the appropriate steps and the project has been budgeted.

Tom Johnson (A): We're aware of the situation you just described. We can do the ROW acquisition. We recognize the land is going up in price in a very dynamic marketplace and we recognize that if we identify the project we may need to earmark funds early to secure ROW.

Dick Perreault (A): The key is us knowing about what the desire is as soon as we can and getting the agreement signed and/or the MOU so we can get the project authorization resolution going.

Doug Nelson (Q): You mentioned non-structural. What types of [non-structural projects](#) are you looking for?

Dick Perreault (A): What we're looking at is trying to get out ahead of growth and identify where the sensitive areas are. We've accelerated some of our floodplain delineation studies so we're trying to identify where our future problem areas would be and then either work with the municipalities, the county, or the developer and make sure the developer knows what the cost will be if they decide to go into the floodplain areas. We're trying to maintain continuity of flow corridors so that we're not chopping up the landscape and segregating the washes. A lot of this type of effort can be done through the floodplain and drainage regulations and try to incorporate master plans that work around the existing washes and sensitive areas and not require structural improvements later on

Tom Johnson (A): The components of the watercourse master plans that we're doing could be where we identify erosion setbacks. Another is where we could work with the communities to possibly make changes to their general plans.

Ray Dovalina (Q): What about these features or amenities and the landscaping and looking at and making sure we consider [water conservation](#), and the water supply and things of that nature? We show nice landscape and turf. Are we making sure that's sustainable when plan these features?

Dick Perreault (A): I think that's very important particularly on our cooperative projects. We are not going to dictate that the basin has to be turfed. The primary goal is to provide what the community wants to take that on as a requirement in the future. We're not going to force amenities or a landscaping pallet that is different than what you want. In some cases you may want a lot more than what we're willing to cost-share and provide, but we're not going to preclude that. We'll just look at our efforts as far as the funding goes. We are trying to develop our landscaping efforts so that it's compatible with the surrounding area.

Russ Miracle (A): We're also looking at some in between scenarios between structural, total structural and total non-structural. One of them is an engineered natural working channel to where there is a more aesthetic looking channel. The other is semi-structural where you would use a minimum of structural components.

Dick Perreault: Since there are no more questions, we'd like to thank you for attending our workshop and look forward to receiving your project requests by July 20th. As always, please call me or any of our staff, if you have questions on preparing your request.